

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE 1 OF 2 PAGES			
2. AMENDMENT/MODIFICATION NO. 0009		3. EFFECTIVE DATE 11-8-02		4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (If applicable)			
6. ISSUED BY		CODE		7. ADMINISTERED BY (If other than Item 6)		CODE			
U.S. Army Engineering & Support Center, Huntsville ATTN: CEHNC-CT-S/Laura Harbin (256-895-1171) 4820 University Square Huntsville, AL 35816-1822									
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)				(✓)					
				X				9A. AMENDMENT OF SOLICITATION NO. DACA87-01-R-0027	
								9B. DATED (SEE ITEM 11) 9-10-01	
								10A. MODIFICATION OF CONTRACTS/ORDER NO.	
CODE		FACILITY CODE		10B. DATED (SEE ITEM 13)					

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☒ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☒ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(✓)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not, ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE PAGE 2

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
_____ (Signature of person authorized to sign)		BY _____ (Signature of Contracting Officer)	

STANDARD FORM (SF) 30 BLOCK 14 CONTINUATION PAGE

1. Modifications are made to the following sections of the solicitation:
 - a. Section B, paragraph(s) B.5.2, Utility Services, and B.5.3, Capital Investment Recovery.
 - b. Section H, paragraph H.12.1 Capital Upgrades, Improvements, System Expansion/Addition Projects.
 - c. Section I, Clause 52.232-23, Assignment of Claims.
 - d. Section J.3 Initial Capital Improvements, Natural Gas Distribution System, has been revised.
 - e. Section L, paragraph L.4, 52.216-1 - Type of Contract, paragraph L.8.1.3, Instructions, Conditions, and Notices to Offerors, paragraph L.10.3 Utility Services, CLIN 0001AB, and paragraph L.10.4., Capital Investment Recovery – CLIN 0001AC.
2. The following paragraph has been deleted (annotated reserved) from the solicitation: Section L, paragraph L.8.1.11, Use of Non-Government Advisors.
3. The following addition has been made to the solicitation: Section H, paragraph H.13, Key Personnel.
4. These modifications/additions are shown in bold print on the attached revised pages which are substituted for the existing corresponding pages as outlined below:

<u>SECTION</u>	<u>DELETE</u>	<u>SUBSTITUTE</u>
B	Page B-1 (Amend 0007)	Page B-1 (Amend 0009)
C	Page C-8 (Amend 0007)	Page C-8 (Amend 0009)
H	Page H-4 (Amend 0007)	Page H-4 (Amend 0009)
I	Page I-2 (Amend 0007)	Page I-2 (Amend 0009)
J	J.3, Page 1	J.3 Page 1 (Amend 0009)
L	Pages L-4 through L-7 (Amend 0007)	Pages L-4 through L-7 (Amend 0009)
	Page L-12	Page L-12 (Amend 0009)

5. Offerors must acknowledge receipt of this amendment with their proposals at the required closing date and time. The date and time specified for receipt of proposal has been extended from 12 November 2002 to 18 November 2002, 2:00 p.m. local time.
6. All other terms and conditions remain unchanged.

Section B
EXECUTIVE SUMMARY

B.1 OBJECTIVE. To privatize the natural gas utility system(s) at the United States Military Academy, West Point (hereafter referred to as the "Installation" or USMA) and to procure utility services from the new owner of the system. Privatization is the conveyance ownership of a utility system, or part of a utility distribution system to a municipal, private, regional, district, or cooperative utility company or other entity and the simultaneous procurement of the utility distribution services from the new owner of the system. The acquisition of gas as a commodity is not included in this contract.

B.2 BACKGROUND. DOD Reform Initiative Directive #49 states that the DOD will privatize all of its electric, water, wastewater, and natural gas utility systems, except where privatization does not meet the economic criteria of Section 2688 of Title 10, US Code (USC) for Privatization of Defense Utility Systems or where unique security reasons mandate continued Government ownership.

B.3 CONTRACT STRUCTURE. The U.S. Army Engineering and Support Center, Huntsville will utilize a single-step contracting process to privatize the utility distribution systems. In this process the Government will evaluate proposals to determine which proposal will be most advantageous to the Government. If the selected proposal is determined to provide a long term economic benefit to the Government, a contract will be awarded to the selected contractor for conveyance of the utility distribution system. If it is determined to be uneconomically feasible to privatize, a contract will not be awarded.

B.4 TECHNICAL AND PRICE PROPOSAL. Each offeror shall submit proposals in accordance with Section L.

B.5 INSTRUCTIONS FOR COMPLETING SCHEDULE B. Section B solicits the offerors price for the acquisition price, utility services, capital investment, and monthly credit for acquisition price. The proposal shall incorporate all costs of service in accordance with Section L.

B.5.1 Acquisition Price (CLIN 0001AA). The offeror shall state a price for which he will purchase the utility system.

B.5.2 Utility Services (CLIN 0001AB). The offeror shall propose a fixed monthly charge for 36 months. **The fixed monthly charge shall include all costs to provide utility distribution services to the installation for operation and maintenance.** Prices proposed for the Fixed Monthly Charge shall be based on expected price levels during the first three years of utility service. This price will be redetermined in accordance with Section I, FAR clause 52.216-5, Price Redetermination-Prospective

B.5.3 Capital Investment Recovery (CLIN 0001AC). The offeror shall propose capital investment recovery in accordance with Sections H and L. Capital costs may include, but not be limited to, the initial capital upgrades, the recoverable portion of the Acquisition Price, mobilization capital costs, **capital recovery for routine replacements and renewal costs**, and capital costs of other upgrade, improvement, or system expansion/addition projects proposed throughout the contract. The monthly cost of service charges (as described in H.12) for each capital project shall be summed to define cost of service charge for this CLIN. The CLIN is indicated as "TBD" until amortization schedules are developed, submitted and approved.

B.5.4 Credit as Payment for Purchase Price (CLINs 0001AD). The offeror shall offer a credit against the annual service charges as payment for the utility distribution system. This credit may take the form of a lump sum credit or a reduction in monthly charges for the utility services provided.

B.6 CONTRACTING AUTHORITY. This contract will be awarded in accordance with the authority granted to the Secretary of the Army by Section 2688 of Title 10, US Code.

a. Prior to commencement of work at any job site, the Contractor shall submit a detailed accident prevention plan, written for the specific work to be performed. The plan shall include but not limited to control measures the Contractor shall take to control hazards associated with materials, services, operations or equipment. The Contractor shall ensure that any additional measures the Contracting Officer determines to be reasonably necessary for this purpose are taken.

b. The Contractor shall designate a member of the Contractor's management or a Safety/Health representative to provide for frequent and regularly scheduled safety/health inspections of work sites. The Contractor's representative shall be certified to be knowledgeable of OSHA 1910 (Industrial), OSHA 1926 Construction and EM 385 1-1. The Contractor's representative shall correct any unsafe/violated condition immediately.

c. Prior to bringing hazardous substances, as defined in 29 CFR 1910.1200, on to the job site, all employees involved shall be advised of Material Safety Data Sheet (MSDS) information and a copy of each hazardous substance's MSDS shall be provided to the Contracting Officer. The Contractor shall inventory all materials requiring MSDS information on a weekly basis. This inventory shall be put into a report named "Hazardous Substances Location Report" (HS). For all materials requiring MSDS information, the report shall include as a minimum the following:

- a. Common Name for each material
- b. Location of each material
- c. Hazardous substance & Chemical Abstract Substance Registry Number (CAS)
- d. Quantity of each substance

The inventory shall be conducted every Friday by the Contractor and shall be submitted the following Tuesday morning at 0800 to the Contracting Officer. This requirement is in accordance with the Emergency Planning and Community Right to Know Act (EPCRA) Inventory. Additional instruction on this act can be acquired from the West Point Environmental Management Office upon request through the Contracting Officer.

d. The Contractor shall provide approved safety barricades, signs, and signal lights at work areas. Plastic safety fencing is not approved for use at USMA.

e. The USMA Safety Manager or his designate will shut down any job performed in an unsafe or hazardous manner or that creates an imminent danger to USMA or Contractor employees. The Contractor will receive no compensation for such occurrences.

C.18. QUALITY CONTROL AND ASSURANCE.

C.18.1 QUALITY CONTROL AND ASSURANCE PLAN. The Contractor shall develop, document, and implement a quality control and assurance plan for this contract in accordance with DID P018. This quality plan shall be submitted to the Contracting Officer for approval thirty days prior to system conveyance.

C.18.2 SERVICE QUALITY. The Contractor shall develop and implement a Performance, Measurement and Verification Plan (DID **P009**). As part of this plan the Contractor shall monitor and document service quality including outages and other indicators of service quality. This information shall be provided in a semi-annual report to the Contracting Officer. The report shall provide a history of service (outages, service variations, etc) history for the location and list other areas of the system that may be subject to the same condition. The report shall list steps (actions and schedule for implementation) that will be taken to ensure the problem does not continue or propagate.

6 – Performance Measurement and Verification Plan: DID P009

7 – System Inventory and Valuation: DID P001

8 – Maps: DID P013

H.12 Accounting for Capital Investment

H.12.1 Capital Upgrades, Improvements, System Expansion/Addition Projects and Replacements and Renewals. The price of each capital **asset** proposed by the Contractor will be recovered through monthly cost of service charges (depreciation and interest) over the useful life of the project assets. Depreciation of the capital asset shall begin when the asset (upgrade/addition) is put in useful service. The contractor shall submit a schedule for each project detailing the charges by month for the entire depreciation period. The schedule shall define the depreciation period, total number of payments, and the depreciation amount and interest amount for each payment. Monthly invoices from the contractor shall refer to each specific project schedule by payment number.

H.12.2 Recoverable Portion of the Acquisition Price

The acquisition price has two components: (1) Tangible Assets (structures, components, plant, equipment, inventories, etc.); and (2) Intangible Assets/Goodwill (contracts, licenses/permits, market share, strategic location, excess capacity, new business opportunities, etc.). The recoverable portion of the Acquisition Price is that portion that represents the contractor's investment in the tangible system assets. The value of the tangible assets will be determined using the replacement cost new less depreciation valuation method. This value will be recovered through cost of service charges (depreciation and interest) over the remaining useful life of the system. The intangible assets/goodwill are not recoverable as a cost of service.

The contractor shall submit a schedule for the cost of service depreciation charges by month for the depreciation period. The schedule shall define the depreciation period, total number of payments, and the depreciation amount and interest amount for each payment. Monthly invoices from the contractor shall refer to each specific project schedule by payment number.

H.12.3 MOBILIZATION.

The capital asset costs of mobilization shall be recovered through monthly cost of service charges (depreciation and interest) over the useful life of the project assets. The contractor shall submit a schedule of charges by month for the depreciation period. The schedule shall define the depreciation period, total number of payments, and the depreciation amount and interest amount for each payment. Monthly invoices from the contractor shall refer to each specific project schedule by payment number.

H.13 52.242-4016 KEY PERSONNEL

It is essential that the key personnel identified in the contractor's offer be used to perform work under this contract. Prior to diverting any of the specified individuals to other programs, the contractor shall notify the contracting officer reasonably in advance and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No diversion shall be made by the contractor without the written consent of the contracting officer: PROVIDED, that the contracting officer may ratify in writing such diversion and such ratification shall constitute the consent of the contracting officer required by this clause. The personnel listing may be amended from time to time during the course of the contract to either add or delete personnel, as appropriate.

52.223-5	Pollution Prevention and Right-to-Know Information	APR 1998
52.223-6	Drug Free Workplace	MAY 2001
52.223-14	Toxic Chemical Release Reporting	OCT 2000
52.227-1	Authorization and Consent	JUL 1995
52.228-5	Insurance - Work On A Government Installation	JAN 1997
52.229-3	Federal, State And Local Taxes	JAN 1991
52.229-5	Taxes--Contracts Performed In U S Possessions Or Puerto Rico	APR 1984
52.230-2	Cost Accounting Standards	APR 1998
52.230-3	Disclosure And Consistency Of Cost Accounting Practices	APR 1998
52.230-6	Administration of Cost Accounting Standards	NOV 1999
52.232-1	Payments	APR 1984
52.232-8	Discounts For Prompt Payment	FEB 2002
52.232-11	Extras	APR 1984
52.232-17	Interest	JUN 1996
52.232-23	Assignment Of Claims – Alt I (Apr 1984)	JAN 1986
52.232-25	Prompt Payment	FEB 2002
52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	MAY 1999
52.233-1 Alt I	Disputes (Dec 1998) - Alternate I	DEC 1991
52.233-3	Protest After Award	AUG 1996
52.237-2	Protection Of Government Buildings, Equipment, And Vegetation	APR 1984
52.237-3	Continuity Of Services	JAN 1991
52.241-7	Change in Rates or Terms and Conditions of Services For Regulated Services	FEB 1995
52.242-1	Notice of Intent to Disallow Costs	APR 1984
52.242-13	Bankruptcy	JUL 1995
52.243-1 Alt I	Changes--Fixed Price (Aug 1987) - Alternate I	APR 1984
52.246-25	Limitation of Liability-Services	Feb 1997
52.248-1	Value Engineering	FEB 2000
52.249-2	Termination For Convenience Of The Government (Fixed-Price)	SEP 1996
52.249-8	Default (Fixed-Price Supply & Service)	APR 1984
52.253-1	Computer Generated Forms	JAN 1991
252.201-7000	Contracting Officer's Representative	DEC 1991
252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense- Contract-Related Felonies	MAR 1999
252.203-7002	Display Of DOD Hotline Poster	DEC 1991
252.204-7000	Disclosure Of Information	DEC 1991
252.204-7003	Control Of Government Personnel Work Product	APR 1992
252.204-7004	Required Central Contractor Registration	NOV 2001
252.205-7000	Provisions Of Information To Cooperative Agreement Holders	DEC 1991
252.209-7000	Acquisition From Subcontractors Subject To On-Site Inspection Under The Intermediate Range Nuclear Forces (INF) Treaty	NOV 1995
252.209-7001	Disclosure of Ownership or Control by the Government of a Terrorist Country	MAR 1998
252.209-7003	Compliance With Veterans' Employment Reporting Requirements	MAR 1998
252.209-7004	Subcontracting With Firms That Are Owned or Controlled By The Government of a Terrorist Country	MAR 1998

J.3 INITIAL CAPITAL IMPROVEMENTS, NATURAL GAS DISTRIBUTION SYSTEM *(Note: This Scope of Work may be modified after completion of "System Characterization and Work Plan" to include or delete scope of work determined necessary to upgrade the system to meet industry standard.)*

J.3.1 Objective.

The objective is for the offeror to define his approach and methodologies for the natural gas system upgrades replacements, and improvements under this contract. The work described below represents the Government's perception of the initial work required to upgrade the system. The actual work required may differ somewhat from that described. The Government will utilize the offeror's fixed price proposal to evaluate the cost effectiveness of the offerors approach and methodologies in provision of upgrades, replacements and improvements.

J.3.2 Project Description.

The United States Military Academy natural gas distribution system has approximately 30 miles of steel, plastic and cast iron pipe distributing natural gas through a high pressure, medium pressure and low-pressure system. All the following work will be preformed during the months of June, July, and August 2003.

The cathodic protection system was surveyed in the fall of 2001. The results of the survey and required fixes are included as attachments J.28.

The contractor shall mark approximately 1.7 miles of line. The line is in two sections. One section of line is along route 218 up along the ski slope having one stream crossing and three road crossings. This section is to the regulating station at Stony Lonesome Housing area coming out of the main regulator station on post. The other section of line is from the incoming regulator station across route 218 to Washington road.

A survey has been done on valves and the following deficiencies have been identified and are provided in Section J (J.21). The contractor shall repair or replace the valves as required by the condition of the valve.

The contractor shall replace approximately **6,000** ft of cast iron in the housing area vicinity Sladen, Tillman, Quarters 126 and behind the old PX need to be replaced while maintaining service. A map of the piping location showing size of the sections is available in the technical library J.22. The contractor shall replace the pipe with ASTM D2513 polyethylene pipe of the same size, and with valves as currently located, and shall restore the area to its current condition when completed. The contractor shall install electrically conductive wire for means of pipe location.

The contractor shall replace approximately **900** ft of 6 inch, 120-psi steel that runs along the diagonal walk on the parade field. Start at the valve in vicinity of Ike Statue and finish at the curb line on the Mac Statue side of the street crossing. The pipe will be replaced with steel pipe of the same size, together with associated cathodic protection

additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable.

(i) *Identification of the law or regulation establishing the price offered.* If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) *Commercial item exception.* For a commercial item exception, the offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include --

(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), *e.g.*, wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities;

(B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market;

(C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

(2) The offeror grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.

(b) *Requirements for cost or pricing data.* If the offeror is not granted an exception from the requirement to submit cost or pricing data, the following applies:

(1) The offeror shall prepare and submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions such as letter contracts), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.
(End of Provision)

L.4 52.216-1 -- Type of Contract (Apr 1984)

The Government contemplates award of a Fixed Price, **Requirements** type contract resulting from this solicitation.
(End of Provision)

L.5 52.222-24 PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE EVALUATION (FEB 1999)

If a contract in the amount of \$10 million or more will result from this solicitation, the prospective Contractor and its known first-tier subcontractors with anticipated subcontracts of \$10 million or more shall be subject to a preaward compliance evaluation by the Office of Federal Contract Compliance Programs (OFCCP), unless, within the preceding 24 months, OFCCP has conducted an evaluation and found the prospective Contractor and subcontractors to be in compliance with Executive Order 11246.

(End of Provision)

L.6 52.233-2 SERVICE OF PROTEST (AUG 1996)

Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

US Army Engineering & Support Center, Huntsville
CEHNC-CT-S/Ms. Sharon Butler, Contracting Officer
4820 University Square
Huntsville, AL 35816-1822

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(End of provision)

L.7 52.237-1 SITE VISIT (APR 1984)

Offerors or quoters are urged and expected to inspect the site where services are to be performed and to satisfy themselves regarding all general and local conditions that may affect the cost of contract performance, to the extent that the information is reasonably obtainable. In no event shall failure to inspect the site constitute grounds for a claim after contract award.

(End of Provision)

L.8 PROPOSAL PREPARATION INSTRUCTIONS

L.8.1 Mailing Instructions

L.8.1.1 Packages and/or envelopes containing the Technical Proposal and Cost Proposal shall be marked with the solicitation number and mailed to U.S. Army Engineering and Support Center, ATTN: CEHNC-CT-S/(Ms. Laura Harbin), 4820 University Square, Huntsville, AL 35816. Neither facsimile nor electronic offers are authorized.

L.8.1.2. Packaging Instructions.

The Technical Proposals and Cost Proposals shall be completely separate from each other, in separate binders, with no intermixing of materials. Multiple cost proposals may be enclosed in a single binder, but should be clearly marked to indicate the system, or systems, included in each particular proposal. No contractual price information should be included in the Technical Proposals. As the Technical Proposal should describe the capability of the Offeror to participate in this effort, it should be specific and complete in every detail. Proposals that merely offer to provide service in accordance with the Government's Statement of Work shall be considered technically unacceptable and shall not be considered further. The Offeror must submit a definitive proposal to achieve the end results that are set forth in the Government's requirements. The Offeror should furnish the following information, which will be used to evaluate the proposal. The information should be submitted as listed below.

L.8.1.3 Formatting Instructions.

Technical Proposals are to be submitted in original and 8 machine reproduced copies. The technical Proposal text should be typed, single space, Courier **or** Arial font, 12 pitch and submitted on standard (8 1/2" x 11") paper, with foldouts no more than 17" long. Technical proposals **shall** be no more than 150 pages in length (doubled-sided) exclusive of attachments, cover page, and table of contents.

L.8.1.4 Proposal Content.

The Price/Cost Proposals shall be submitted separately from the Technical Proposals, and shall consist of Sections B, K and Standard Form (SF) 33 (Section A) and SF 30 (Amendment) of this solicitation and cost information required by Section L. An original and 3 machine reproduced copies and one **compact disk (CD)** in Microsoft Word or Excel are required.

L.8.1.5 Return of Proposals.

Proposals submitted in response to this solicitation will not be returned.

L.8.1.6 Duration of Proposals.

Proposals shall remain effective for 180 days from the date of receipt.

L.8.1.7 Documents Incorporated by Reference.

Documents such as statutes, tariffs, operating manuals, and specifications may be incorporated by reference however the full text document should be provided as an attachment to the appropriate volume.

L.8.1.8 Insurance.

The offeror shall indicate in its proposal whether it will be obtaining insurance or be self insured. The proposal should include terms of the insurance, limits of coverage, and deductible amounts. In accordance with Section H, paragraph H.1.5, the offeror is required to have catastrophic insurance. If self insured, the offeror shall demonstrate sufficient financial resources to replace the system in the event of a catastrophic event. (This will not be an evaluated factor; however, it will be considered in determining responsibility.)

L.8.1.9 Reserved.

L.8.1.10 Alternate Proposals and Exceptions to Terms and Conditions.

The Government encourages the submission of alternate proposals which add value when compared with the requirements in the RFP. Provide a rationale explaining the advantages of the alternate proposal to the Government and its affect in comparison to the original requirements of the RFP. Exceptions taken to individual terms and conditions of the RFP shall be clearly identified. Each exception shall be specifically related to each paragraph and/or specific part of the RFP to which the exception is taken. Provide a rationale in support of the exception, explaining its effect in comparison with the original requirements of the RFP. This information shall be provided in the format and content of the table below. Unless included in this volume, no exceptions to terms and conditions will be assumed and any resultant contract will incorporate the terms and conditions of the RFP.

RFP EXCEPTIONS

RFP Document	Paragraph/ Page	Requirement/ Portion	Rationale
SOW, RFP Model Contract, etc.	Applicable page and paragraph numbers	Identify the requirement or portion to which exception is taken	Justify why the requirement will not be met or discuss reasons why not meeting the Government's terms and conditions might be advantageous to the Government

L.8.1.11 Reserved

L.8.2 EXPERIENCE, ORGANIZATION STRUCTURE AND TECHNICAL APPROACH. (Factor 1)

The offeror's technical proposal will present the offeror's experience and the offeror's proposed organization. It shall document the offeror's approach to providing utility services to the installation.

L.8.2.1 Experience. Describe the offeror's comparable experience within the last five (5) years in providing the type(s) of utility service for which the offeror is proposing. Comparable service should be for individual or classes of customers whose service requirements are similar to those specified in this solicitation. Measures for comparable service may include, but not be limited to, such factors as utility system line miles, capacity, number of customers and/or service locations, valuation of utility facilities, geographic area served and type and magnitude of individual or collective capital projects.

L.8.2.2 Organization Structure. The offeror shall submit a Management Plan and organization chart showing the offeror's corporate structure and lines of authority. Resumes of offeror's designated key personnel (to include on-site key personnel) should be included in the proposal. Provide letters of commitment for all subcontractors that are to provide significant portions of the work. Roles and responsibilities should be discussed. The Government is particularly interested in the qualifications of on-site supervisors, to include those personnel who will interact with the Government for the purposes of planning and daily coordination. The offeror should address which team members will perform various tasks (prime or subcontractor) and where the personnel and material (inventory) will be located (on-site, off-site, home office, etc.). The offeror should address how efficiency will be attained all areas while providing a high level of quality service. The offeror should address resources available for the support of the project, including facilities, equipment, inventory, and staffing. Include information on union agreements that may affect this contract. If the offeror is a municipal utility or other not for profit organization, please discuss how you are organized and the essential aspects of your corporate charter. Discuss what role and authority any state or local governing board or agency and/or city council will have in contract approval, operations and rate making. Provide a description of regulatory constraints and performance, to include a description of all regulatory influences and how they interface with the offeror's performance under the contract. As applicable, an Offeror should reference tariffs, rules and other documented procedures that would guide or control the performance of the technical effort.

L.8.2.3 Technical Approach.

L.8.2.3.1 Technical Approach, "System Characterization and Workplan" (See Section J.1). The offeror shall propose how the scope of work for this task will be accomplished. This task requires the contractor to fully characterize the system and create a plan for execution of Utility Services. For this task and each supporting DID, the offeror shall propose a detailed work plan and schedule for execution. Detailed means a complete specific description of the work the contractor will perform to meet the scope of work. Each element of the scope of work should be addressed in the proposed work plan. The offeror should sequentially follow the task and DID performance requirement, specifically addressing and expanding upon the performance requirements and documenting the proposed work plan for each. In preparation of the proposal for this task, the offeror will provide contractually binding work plans documenting the work to be performed. For each portion of the work the offeror shall clearly state: what the offeror proposes to do; how he proposes to perform the work; the personnel he proposes to utilize (skill level, qualifications, etc); where each part of the work is to be performed (onsite, at offeror's offices, etc.); what equipment he proposes to use; the type, level, and amount of assistance he expects to receive from the Government; and a proposed performance schedule. The contractor shall submit as part of its proposal, a schedule for execution of this Task Order.

EXAMPLE: As an example of the level of scope detail required, the on-post portion of this Task Order is anticipated to be a combination of physical examination of the system elements, records research, and interviews with O&M personnel to obtain the necessary information to perform the System

L.9.5 Awards and Certifications. The offeror should describe any quality awards or certifications that indicate the offeror possesses a high quality process for developing and producing the product or service required. Identify the segment of the company (one division or the entire company) which received the award or certification. Describe when the award or certification was bestowed. If the award or certification is over three years old, present evidence that the qualifications still apply. A negative response is required if the offeror has no awards or certifications.

L.10 PROPOSAL PREPARATION INSTRUCTIONS - COST PROPOSAL (FACTOR 3). The offeror shall propose a total of all payments for a fifty-year period for the services described in Section C, as detailed below.

L.10.1 System Acquisition Price, CLIN 0001AA. The offeror shall offer a price for conveyance of all right, title, and interest of the United States in the utility system. The consideration may take the form of a lump sum payment, a reduction in charges for utility services provided.

L.10.2 Reserved.

L.10.3 Utility Services, CLIN 0001AB. The offeror shall propose a fixed monthly charge for 36 months. The fixed monthly charge shall include **all** costs to provide utility **distribution** services to the installation including operation and maintenance, system characterization and work plan (section J1) and capital recovery for routine replacements and renewal costs. Prices proposed for the Fixed Monthly Charge shall be based on expected price levels during the first three years of utility service. The offeror shall include in CLIN 001AB a price for execution of the services described in Attachment J.1 (System Characterization and Workplan (DID P004)). This price shall be supported in the offeror's proposal details (L.10.5).

L.10.4 Capital Investment Recovery - CLIN 0001AC. The offeror shall propose a price for capital investment recovery as described in Section H. 12. Capital costs may include, but not be limited to, the Initial Capital Upgrades defined in Section J.3, the recoverable portion of the Acquisition Price, Mobilization capital costs, **capital recovery for routine replacements and renewal costs**, and capital costs of other upgrade or improvement projects proposed. The monthly cost of service charges (as described in H.12) for each capital project shall be summed to define cost of service charge for this CLIN. The offeror shall provide a cost breakout for all work included in Section J.3, separate from any other initial capital improvements proposed.

L.10.5 Proposal Details. Price information in the offeror's proposal will be used to establish the baseline for the contract and determine the reasonableness of the price proposed and the price for the fifty years of the contract. The contractor may propose using one of the following methods: 1) The Rate Based Method or 2) The Estimated Cost Method (reference Section J, Attachment J.4 Cost Schedules). The rate-based method is one whereby the O&M price is estimated using the offerors historical cost rate (e.g., \$/mile) or a price-based rate (e.g. \$/ Therm) to serve similar customers through similar utility systems receiving a similar level of service. The price developed from a rate-based method will be supported by the offerors documented historical cost to providing similar services to similar customers with the service defined by the offeror's service policy and line extension policy. The estimated cost method will be based on a detailed line item cost estimate, to perform the work. The estimated cost method requires that the work plan be defined in the proposal by task. The price developed from a detailed line item estimate will be supported by the offerors documented work plan, work breakdown structure, and cost estimate for specific tasks. The offeror may use a combination of these methods (e.g., routine O&M may be priced based upon historical costs and any special services provided beyond those included in the standard service policy that are required by the contract may be priced based upon a detailed cost estimate.

Costs should be included in one of four categories, 1) annual operations and maintenance, 2) capital costs (separately presented as acquisition price recovery, system expansion/upgrade, and replacement/renewal), 3) mobilization costs, and 4) system characterization and workplan costs. Annual operations and maintenance includes all costs associated with routine activities such as staffing, equipment, materials, periodic studies, subcontract costs, etc. Annual O&M should also include all costs not associated with the mobilization, system expansion, upgrade, or major renewals.